

COUNTY COUNCIL  
OF  
HARFORD COUNTY, MARYLAND

Bill No. 10-21

Introduced by: Council Members Woods, McMahan and Lisanti and Council President Boniface and Council President Boniface at the Request of the County Executive and Council Members Shrodes, Slutzky & Guthrie

Legislative Day No. 10-16 Date: June 15, 2010

AN ACT to repeal and reenact, with amendments, Section 123-44, Credit for solar energy units, of Article II, Real Property Tax Credits, of Chapter 123, Finance and Taxation, of the Harford County Code, as amended; to provide for property tax credit for each qualifying energy device under certain conditions; to provide for an increase in the total tax credit amount per property; to provide for an annual tax credit cap or limit on the amount of credit granted per property; to establish the terms, conditions, and duration of the credit; to provide for a rollover of any amount of the energy tax credit not taken in the tax year in which the application is granted for up to one year; and generally relating to real property tax credits.

By the Council, June 15, 2010

Introduced, read first time, ordered posted and public hearing scheduled

on: July 20, 2010

at: 7:00 PM

By order: Barbara J. O'Connor, Council Administrator

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on July 20, 2010, and concluded on July 20, 2010.

Barbara J. O'Connor Council Administrator

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter Deleted from existing law. Underlining indicates Language added to bill by amendment. Language Lined through indicates matter stricken out of Bill By amendment.

Section 1. *Be It Enacted by the County Council of Harford County, Maryland* that Section 123-44, Credit for solar energy units, of Article II, Real Property Tax Credits, of Chapter 123, Finance and Taxation, of the Harford County Code, as amended; be, and it is hereby repealed and reenacted, with amendments, to read as follows:

Chapter 123. Finance and Taxation

Article II. Real Property Tax Credits

§ 123.44. Credit for qualifying energy conservation devices.

A. Definitions. For the purposes of this article.

GEOHERMAL ENERGY DEVICE -- Shall mean an energy conserving device that uses energy derived from naturally occurring heat in the interior of the earth to heat or cool a structure, to provide hot water for use in the structure or to generate electricity to be used in the structure and meets national safety and performance standards set by a nationally recognized testing laboratory for that kind of device.

SOLAR ENERGY DEVICE -- Shall mean an energy conserving device, including collectors, panels, storage tanks and all other hardware that is necessary and used as a part of the operating mechanism, that uses energy derived from the sun's radiation that is converted into thermal or electric energy to heat or cool a structure, to provide hot water for use in the structure or to generate electricity to be used in the structure and meets national safety and performance standards set by a nationally recognized testing laboratory for that kind of device.

B. Credit authorized. In accordance with the provisions of Section 9-203 of the Tax-Property Article of the Annotated Code of Maryland, there is hereby created a tax credit from

1 County real property taxes levied on residential or nonresidential buildings or other structures  
2 that use solar energy devices or geothermal energy devices for heating and cooling buildings or  
3 structures or for supplying hot water for use within the buildings or other structures or generating  
4 electricity to be used in the structure. The tax credit shall be credit from the taxes levied on the  
5 buildings or other structures and not from the land.

6 C. Timely filing of applications. An application for a tax credit for using a solar energy  
7 device or geothermal energy device shall be filed on or before the first day of October  
8 immediately prior to the taxable year for which the tax credit is first sought. If the application is  
9 not so filed, it will be disallowed that year.

10 D. Amount of Credit.

11 (1) PER QUALIFYING ENERGY DEVICE. The total real property tax credit  
12 allowed under the provisions of this section shall be the lesser amount of up to a maximum of  
13 \$2,500 PER QUALIFYING CONSERVATION ENERGY DEVICE for the cost of materials and  
14 installation or construction of EITHER the solar energy device or geothermal energy device, to  
15 apply against 1 year of property taxes, or the total amount of the real property taxes levied  
16 against the buildings or structures that is to be paid by the taxpayer for 1 year following the  
17 approval of the application.

18 (2) TAX CREDIT LIMIT PER PROPERTY. IN ANY FISCAL YEAR, THE  
19 TOTAL CREDITS ISSUED UNDER THIS SECTION SHALL NOT EXCEED \$5,000 PER  
20 PROPERTY.

21 (3) UNUSED TAX CREDIT. THE TAX CREDIT CAN BE APPLIED AGAINST,  
22 AND CANNOT EXCEED, THE AMOUNT OF THE COUNTY PROPERTY TAX ON THE

1 PROPERTY. THE TAX CREDIT MAY BE GRANTED IN THE YEAR IN WHICH THE  
2 CREDIT IS APPLIED FOR, OR CARRIED FORWARD. ANY UNUSED CREDIT AMOUNT  
3 CAN BE CARRIED FORWARD FOR AN ADDITIONAL 2 YEARS. WHEN A TAX  
4 CREDIT IS CARRIED OVER UNDER THIS SUBSECTION, THE FULL AMOUNT OF THE  
5 TAX CREDIT SHALL BE DEDUCTED FROM THE TOTAL ANNUAL LIMIT SET FORTH  
6 IN SUBSECTION (F) OF THIS SECTION IN THE YEAR IN WHICH THE APPLICATION IS  
7 GRANTED.

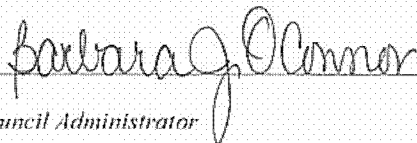
8 E. Submission of application. All applications for tax credits under this section shall be  
9 submitted to the Director of Administration only on forms prepared by that office. An  
10 application shall be filed one time only for the duration of the tax credit. Each application shall  
11 be made under oath or affirmation and shall contain a declaration preceding the signature of the  
12 applicant to the effect that it is made under the penalties of perjury as provided for by Section 9-  
13 203 of the Tax-Property Article of the Annotated Code of Maryland. Each application shall be  
14 accompanied by documented receipts of such purchase of materials or supplies and actual  
15 installation cost, if available; otherwise, the application shall be accompanied by a statement of  
16 the cost of the materials, supplies and installation cost, verified in the same manner as the  
17 application by a person competent to so certify.

18 F. Annual limit on amount of credits granted. The total tax credit allowed by Harford  
19 County for any 1 year may not exceed \$250,000. The granting of credits shall be on a first-come-  
20 first-served basis, and, when the limitation is reached, any subsequent applications will be  
21 carried over to the next succeeding year or years.

- 1 Section 2. And Be It Further Enacted, that this Act shall take effect 60 calendar days from  
2 the date it becomes law.

EFFECTIVE: September 27, 2010

*The Council Administrator does hereby certify that  
fifteen (15) copies of this Bill are immediately available for  
distribution to the public and the press.*

  
\_\_\_\_\_  
Council Administrator

HARFORD COUNTY BILL NO. 10-21

Brief Title Tax Credit – Conservation Energy

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

**CERTIFIED TRUE AND CORRECT**

Barbara J. O'Connor  
Council Administrator

Date July 20, 2010

**ENROLLED**

Billy Boniface  
Council President

Date July 20, 2010

**BY THE COUNCIL**

Read the third time.

Passed: LSD 10-17

Failed of Passage: \_\_\_\_\_

By Order

Barbara J. O'Connor  
Council Administrator

Sealed with the County Seal and presented to the County Executive for approval this 21<sup>st</sup> day of July, 2010 at 3:00 p.m.

Barbara J. O'Connor  
Council Administrator



**BY THE EXECUTIVE**

David L. Craig  
COUNTY EXECUTIVE

APPROVED: Date July 29, 2010

**BY THE COUNCIL**

This Bill No. 10-21 having been approved by the Executive and returned to the Council, becomes law on July 29, 2010.

EFFECTIVE DATE: September 27, 2010

Barbara J. O'Connor  
Barbara J. O'Connor  
Council Administrator